



**Board of Directors Meeting Minutes**

**July 6, 2006**

**1:30 p.m. – 4:00 p.m.**

**Department of Regulatory Agencies**

**1560 Broadway**

**Conference Room 1380**

**Denver, CO**

**I. Call to Order: 1:37 p.m. Vice Chair Jack Arrowsmith**

Vice Chair Jack Arrowsmith announced that the agenda would be rearranged slightly, as a quorum was not quite present. He also thanked Tambor Williams for providing the meeting facility at the Department of Regulatory Agencies.

**A. Introduction of Audience**

**B. Roll Call**

Arrowsmith, Cooke, Feingold, Jenik (arrived later), May, Picanso, Williams, T.

Excused: Cadman, Dennis, Marroney, Sobanet, Wells

A quorum was established later in the meeting when Greg Jenik arrived.

**C. Approval of June 1, 2006 Meeting Minutes of the SIPA Board of Directors**

Jack Arrowsmith stated that he had one minor correction, which was that Senator May's name was not capitalized at the bottom of page 9.

The approval of the minutes was delayed until a quorum was established.

**II. Committee Reports**

**A. Business Committee, Michael Cooke**

Michael Cooke stated that the Business Committee did not meet during the month of June. However, she stated that she had an item to bring to the Board's attention. She explained that an annual update is expected of the SIPA business plan that the Business Committee initially created. Michael Cooke offered, with Bob Feingold's help, to take the plan back into the committee and bring it back to the Board for approval. She stated that official action may not be necessary, but a consensus might be appropriate.

***ACTION ITEM: Business Committee to update the original SIPA Business Plan from 2004.***

**Discussion:**

Jack Arrowsmith brought up another item, which involved both the Personnel and Business Committees. He stated that there is an old action item on page two of the Action Item Tracking Sheet that has to do with the PMO. He asked if the Board wanted to continue with that item or strike it.

Michael Cooke stated that it would be up to Gregg Rippy. She stated that originally, it was up to the committees to review a plan brought forward by the executive director.

Gregg Rippy stated that at this point the action item could be scratched. He stated that the next action item would be to bring a new plan back to the Business Committee.

Richard Westfall, legal counsel, stated that it is very important for the Board to exercise its authority and prerogative through the Annual Business Plan.

Bob Feingold asked if there was a point of reference, outside of past meeting minutes, where the Board could look at issues that needed to be addressed in the upcoming business plan. He stated that visions would occur in the plan. He asked if the Board suggested using the Colorado Interactive Business Plan for reviewing the SIPA Business Plan.

Rich Olsen stated that two different plans were being discussed. He stated that Michael Cooke was talking about the SIPA Business Plan, and Richard Westfall was talking about the Colorado.gov (Colorado Interactive) Portal Business Plan (dated November 2005).

Gregg Rippy agreed. He stated that the topic of discussion was the Portal Plan (SIPA) created in 2004. He stated that in reviewing the Portal Plan, almost everything in Phase One has been completed. He stated that we are probably in Phase Two of the Portal Plan. Gregg Rippy suggested taking a look at Phase Two in order to determine if that is the direction the Board still wanted to move. He added that, per than plan, Phase Three is where it becomes more intergovernmental, and Gregg Rippy didn't believe that SIPA had reached that point yet. He stated that the plan is kind of the launching pad to take a look at, as it talks about the RFP, the finance model etc. He suggested that the Board take a look at how SIPA negotiated with CI (fixed plus percentage revenue share) to see if it is still appropriate. He also added that it would be appropriate to look at marketing efforts to determine whether or not the right constituents were being targeted. Gregg Rippy went on to say that there is a lot of good in the plan, but it needs to be updated. Gregg Rippy commended the Board for what they have done so far in aligning with the goals and missions of the original business plan. He stated that while we aren't done, we are in the mid-ninety percent complete with what the Board set out to accomplish. Gregg Rippy pointed out that one item that hasn't yet been completed is single login (Phase One). He explained that he is trying to schedule a meeting with DoIT to make sure everyone is on the same page. He added that there are many reasons why this has not yet been completed, and SIPA wants to be in alignment with what the state is doing.

Jack Arrowsmith asked if there was a due date for the business plan.

Richard Westfall stated that there is no due date for the business plan, but there is a due date for the annual report.

***ACTION ITEM: To remove the action item pertaining to the PMO.***

**B. Contracts Committee, Gregg Rippy**

Gregg Rippy stated that June was a very busy month for contracts. He stated that two EGE's are very close to finalization. One is the first amendment to the EGE with DOR, which has to do with the insurance database. He stated that this agreement started much larger than what was needed for an EGE. He explained that everyone finally came to terms, both parties agreed, and it was signed. However, the AG's office still had some concerns. There was a conference call last week, and Gregg Rippy stated that he believed there is now a resolution. He explained that they are just waiting for the final AG blessing to move forward. Gregg Rippy added that this is very important to DOR, and therefore they are working diligently to get it finished. Gregg Rippy thanked Rich Olsen, Brad Bradley, Becky Davis and all of the Department of Revenue employees involved.

**Discussion:**

Senator May stated that he was involved in setting up the insurance database originally. He stated that insurance companies had a lot of concern about data spilling from one insurance company to another. He asked if the interests of the companies would be protected.

Michael Cooke stated that the interests would absolutely be protected.

Gregg Rippy stated that those would be outlined in the task order. He stated that the first amendment to the EGE is broad. He added that DOR would insist that security is equal or better to what it is today.

Michael Cooke stated that she had already made a promise to the insurance companies. She explained that they had a lot of concern initially, but there was a meeting with the insurance companies yesterday that went very well.

Senator May stated that after the program was implemented, insurance companies wanted to do away with it. However, he stated, it is very helpful for county clerks to be able to validate whether or not a person has car insurance. He stated that if someone shows up without a certificate, he or she can call his or her insurance agent and they can fax it right over. He stated that it is very important to keep the information active and accurate.

Michael Cooke stated that she believed that the information would actually be more accurate after it is migrated to the portal.

Bob Feingold asked if moving the application to the portal would require an extra level of security on the portal.

Gregg Rippy stated that the security of the portal is adequate.

### ***Contracts Committee Continued***

Gregg Rippy stated that the second contract issue is finalizing the EGE with Douglas County. He stated that, as of this morning, the agreement is within a couple of words of being finalized. He stated that one of the reasons the committee spent a fair amount of time on this is that they are hopeful that it can serve as the template for all counties as they decide to come on to the portal. He stated that they wanted to make sure all of the issues from both SIPA and local government were addressed.

### **Discussion:**

Richard Westfall stated that Douglas County did a lot of work on the EGE.

Senator May asked who was responsible for making the contact with prospective EGE's.

Gregg Rippy explained that sometimes CI makes the contact, or sometimes the EGE will contact SIPA or CI. He stated that in Jack Arrowsmith's case, Douglas County already knew about us. He stated that there are a number of ways to get into contact, but the EGE Agreement is the first real step.

Senator May joked that he suspected that after this gets going, Jack Arrowsmith would tell all his local government friends and things would get going even more.

Gregg Rippy commented that at the Digital Summit there were a number of local government and state agencies that came up to talk with him after the presentation. He stated that a year ago, those same people might have thought maybe this is in the works or maybe it isn't. This year, they are saying this is neat stuff and they want to move forward.

Gregg Rippy stated that the mission of the portal is to be responsive to citizens and government. People are now seeing that the portal is real and that it can help them. He acknowledged that Bob Feingold and Senator May were both at his presentation at the Digital Government Summit. He stated that for the sake of time, he tried to give the overview at the 10,000-foot level. However, the group wanted to get more details. He stated that the questions they asked were answered in slides in many of his previous presentations, and therefore he would have additional slides at his disposal for the next presentation in case detailed questions were asked.

### **C. Finance Committee, Gregg Rippy**

Gregg Rippy gave the report in Henry Sobanet's absence. Gregg Rippy stated that he would discuss report that the Board was given, for the period ending May 31. He said that there is not yet a report for June because bills and income have not yet been received from CHFA and other vendors. He added that SIPA is on an accrual basis. Therefore, he noted that the report the Board had was very current and accurate.

Gregg Rippy commented that income is ahead of budget, and expenses are below budget. He stated that the original business plan says SIPA will accrue a capitol reserve, but this is only possible if SIPA has a net income. Gregg Rippy stated that at this point, SIPA is headed in the right direction.

**D. Personnel Committee, Rep. Cadman**

No report.

**Discussion:**

Jack Arrowsmith asked the status of the CTO/CIO position.

Gregg Rippy stated that he would discuss that during his report.

**III. New Business**

**A. Executive Director Report, Gregg Rippy**

*Local Government Audit Classification*

Gregg Rippy stated that about a month and a half ago, Richard Westfall received notice that the State Auditor's Office had reviewed SIPA and classified us as local government. This means that SIPA would be audited as local government. Gregg Rippy stated that previous to this classification, SIPA was working on agreed upon procedures with Clifton Gunderson for the audit.

**Discussion:**

Tambor Williams asked if it is in statute that SIPA would be audited. She asked how SIPA got on the State Auditor's agenda.

Gregg Rippy stated that Richard Westfall tried to make the case SIPA was not local government.

Richard Westfall stated that all special authorities are deemed local government.

Gregg Rippy stated that the audit would be done as a local government entity, which would mean the audit must be done by June 15. However, since SIPA operates on a fiscal year rather

than a calendar year, the audit must be completed by October 15. Gregg Rippy stated that it is important that SIPA remain on the same fiscal year as the state. He added that Clifton Gunderson is currently talking to the state auditors, and he noted that Clifton Gunderson is also the auditor for CHFA. Gregg Rippy added that it is very important to have the visibility of the audit. He explained that SIPA now has slightly different procedures than originally expected. Additionally, Gregg Rippy stated that he has asked that Colorado Interactive be subject to an audit. Price Waterhouse will audit CI as a subsidiary of NIC. Then we will be able to present both SIPA and CI's audit reports at the same time, even though CI is on a calendar year.

Michael Cooke clarified that Clifton Gunderson would handle the audit. She stated that she felt that would be a conflict of interest since Clifton Gunderson is working with SysTest.

Gregg Rippy stated that this is what Clifton Gunderson was originally scoped to do.

Michael Cooke stated that it seems like it is a different form the audit than she had originally thought. She added that it seemed some independence might be necessary.

Gregg Rippy stated that under the master agreement, the audit is Clifton Gunderson's only task.

Michael Cooke asked if this would count as the SIPA audit.

Richard Westfall stated that it is a function that was already outlined.

Gregg Rippy explained that it is the same function, but it is being altered so that it complies with the local government function. He stated that if they were auditing themselves (SysTest), it would be a conflict.

Michael Cooke asked if Clifton Gunderson had intended to do this exact audit anyway.

Gregg Rippy stated that it would have been scoped differently since SIPA was not originally considered local government.

Senator May asked how SIPA would pay for the audit.

Gregg Rippy stated that it would be paid for through the operating account.

Senator May asked how the audit would be priced.

Gregg Rippy stated that Clifton Gunderson is making sure that they understand the scope, and the task order will be a not to exceed amount with hourly costs. He added that he anticipated it costing less than what they thought before. Gregg Rippy stated that auditing the SIPA bank accounts is not going to be a difficult task. He stated that the difficult part is that prior to January the SIPA account was at Treasury. SIPA had money spent on our behalf for a year that didn't flow through our accounts.

Jack Arrowsmith stated that as we move forward, the audits would become complicated. He suggested that perhaps in future years, an RFP might be necessary.

Michael Cooke asked if the costs that we were waiting on were the costs that were already envisioned in the contract.

Gregg Rippy stated that nothing has been paid for yet. He added that there was an unsigned task order to come up with the agreed upon procedures for about \$14,000. However, he stated that those agreed upon procedures are no longer necessary because we have the State Auditor's manual. There was never a task order that included this. Gregg Rippy stated that a new task order would be created for the audit, and there are no outstanding task orders.

Michael Cooke asked what kind of agreement SIPA has with Clifton Gunderson.

Gregg Rippy stated that SIPA has the master contract with SysTest that says that Clifton Gunderson will do the auditing. Task orders would be subsequent.

Michael Cooke asked if there was a cost outlined in the master contract.

Gregg Rippy stated that the contract outlines rates.

Senator May asked when the audit can be expected.

Gregg Rippy stated that data gathering would occur in August, and the audit would occur in September.

Tambor Williams stated that it would probably be a one-paragraph audit.

Jack Arrowsmith stated that he presumed the costs would be told to us beforehand. He asked, in the case that the costs are unacceptable, if SIPA had the ability to do something else.

Gregg Rippy stated that we could do a quick RFP for audit services.

John Picanso asked how SysTest relies on their auditing function. He stated that they would still be engaged with Clifton Gunderson so he wondered how that would work.

Gregg Rippy stated that unless there is a task order to do the audit, it is a non-item. There haven't been any task orders with Clifton Gunderson except to do agreed upon procedures, and that task order was cancelled.

Michael Cooke asked what the audit function was envisioned to be before we had an audit function to satisfy the State Auditor. She asked if we were locked into Clifton Gunderson.

**Greg Jenik arrived. A quorum was established.**

Gregg Rippy stated that Clifton Gunderson knows the GASBY rules, and therefore we feel comfortable with them. He stated that the original envisioned procedures were process flow and money flow. This was to ensure that SIPA was getting from CI what we were supposed to get. A lot of this was envisioning, which was never really seeded in anything. Gregg Rippy stated that he actually felt good about the new direction. He stated that SIPA envisioned auditing CI. However, now a third party is coming in to audit them on their own dime. We were looking at process audit rather than a financial audit. Most other states do a financial audit.

Michael Cooke clarified that we were moving from a performance audit to a financial audit. She stated that we would still need to do both, but she asked if it would be included in the same audit.

Gregg Rippy stated that both audits would not be done at the same time. He stated that if SIPA decided to do a performance audit, it certainly could be done. However, considering the cost and where we are at this point, he wouldn't recommend it.

Michael Cooke stated that we are on a tight timeframe now, but she stated that she would feel much better if we went out to bid to get an auditor to perform financial audit.

Gregg Rippy stated that out of the top submitters of the response to the RFP for IV&V, two submitters were using Clifton Gunderson.

Michael Cooke stated that she assumed this is an annual audit. She stated that time may prevent us from going out for an RFP since there is an October deadline. However, she stated that she would hope that a year from now we would go out for RFP.

Gregg Rippy stated that as our relationship with SysTest moves on, we might want to go to a direct relationship with our auditor. The way it is set up now, the audit will go to SysTest.

Michael Cooke stated that she had a real problem with Clifton Gunderson reporting to SysTest. She stated that Clifton Gunderson should report directly to SIPA.

Senator May suggested evaluating the issue for the purpose of creating some recommendations. He stated that it's probably too early for a performance audit, but it may be necessary down the road. He added that everything would get more complicated as time goes on.

Gregg Rippy stated that he agreed with Senator May, and he would like to discuss how to move forward.

#### *IV&V/PMO Function*

Gregg Rippy stated that we are not spending dollars wisely in terms of what we have for IV&V/ PMO. Gregg Rippy stated that he spoke with Glenn Truglio at SysTest, and there is a proposal to have Dan Wenger (SysTest) review items such as single logon. He stated that the proposed task order is capped at \$72,000. He stated that the arrangement would be equivalent to a part time CTO, rather than a full-time employee. He stated that Dan Wenger would review things as they come in, giving SIPA the independent eyes. Gregg Rippy stated that he doesn't



want SysTest telling us we need IV&V and then performing the IV&V. Gregg Rippy stated that he requested that SysTest tell SIPA where the risks lie, and Dan Wenger would provide technical assistance.

#### **Discussion:**

Michael Cooke stated that she didn't have any problems with that approach, but she is still stuck on the audit part. She stated that even with the CTO role, she gets less and less comfortable with the audit being handled by SysTest. She stated that the audit should be reported to SIPA rather than SysTest. She stated that she would like to ask to go out for an RFP or have somebody else tell her it is impossible.

Gregg Rippy suggested that the task order be written to say that the audit comes directly to SIPA rather than to SysTest.

Michael Cooke stated that she was unsure if that solution would be in compliance with the master agreement.

John Picanso asked where it is written that SIPA must do a performance audit.

Richard Westfall, legal counsel, stated that the master agreement with SysTest is very bear bones and task order driven. He stated that the RFP incorporated the elements of PMO, audit, etc. He stated that the series of task orders were expected to do all of this on a task order by task order or a la carte basis.

Gregg Rippy added that the rates are stated in the contract. He added that Clifton Gunderson has very competitive rates, and they are GASBY certified.

Michael Cooke stated that she knows they are reputable, but she just feels like we are backing into this.

Jack Arrowsmith asked if Clifton Gunderson has actually agreed to do this.

Gregg Rippy stated that he has been working directly with Clifton Gunderson. SysTest is just facilitating it.

Jack Arrowsmith stated that there is such a short time. He added that this is a small project, and companies may not want to get involved.

Gregg Rippy stated that SIPA has one bank account, which is very easy to confirm. He stated that it looks like a 30-minute audit. They have to follow the manual, budgeting process etc. Gregg Rippy stated that he was sensitive to Michael's concern that maybe we should go out for an RFP, but he stated that Jack is probably right that there aren't a lot of companies interested in looking at such a small amount of income.

Michael Cooke asked if SIPA had the flexibility to write the task order so that the audit goes directly to the Board.

Richard Westfall stated that the task order could be written to satisfy that. He added that the only requirement is for SIPA to use a certified auditor. He stated that Gregg's point is important. Dollars come in, and dollars come out. He added that personnel costs are very easy because there is one check written to CHFA.

Greg Jenik stated that he assumed that Clifton Gunderson does work for the state.

Tambor Williams stated that the auditor staff hires Clifton Gunderson all the time. She explained that they are one of the few companies that offer reasonable rates. Tambor Williams stated that they are a good company, and she has seen a lot of their audits. She agreed that SIPA shouldn't have gotten this third hand, but Clifton Gunderson will do a fine job. Tambor Williams suggested that the Board look at this in the future, but we are where we are right now.

Bob Feingold stated that in terms of the original RFP, the Board was looking to group functions and tasks that were not part of the integrator's function at the time. He stated that there was only so much bandwidth and no staff. He recommended that since we have grown, we could certainly take a look at it again.

Senator May asked if there were other authorities in the state excused from being a government entity. He stated that he could change the law.

Gregg Rippy stated that being audited as a local government entity isn't a bad thing. He stated that it gives people a level of comfort to know that we are following a set of rules. He stated that as opposed to the agreed upon procedures, we are complying with the State Auditor.

Senator May stated that there may be some politics in there.

Gregg Rippy stated that he believes SIPA would stand the test of any scrutiny on an audit.

Richard Westfall stated that the Board doesn't want to skimp on this. He stated that, being that we are a special authority and wanting to do things different from government, one thing that is a trade off is that we don't skimp on the audit. From a political standpoint, it makes the most sense. There will be issues that come up, but we have a lot of checks and balances. The audit will protect us by showing how we spend money.

Jack Arrowsmith asked if the annual business plan is a place where the audit could be fulfilled

Gregg Rippy stated that the annual business plan might be an appropriate place.

Gregg Rippy stated that there is one additional task order for SysTest capped at \$10,000 for miscellaneous. He stated that we were ending up with charges that didn't fit into a task order. Task Order 4 was deleted, and we would never see it again.

Jack Arrowsmith asked if the Board needed to approve those task orders.

Gregg Rippy stated that the Board didn't need to approve the task orders. He was just reporting them.

Jack Arrowsmith stated that he had another question, referring to the last month's minutes on page 9. He stated that there was some discussion with Tambor Williams and DORA related to fees. He asked if that had been resolved.

Gregg Rippy stated that it is getting closer. He stated that one thing we have to do with the payment engine is to determine what the rates will be. He stated that SOS is trying to get us some rates. Gregg Rippy explained that neither CI nor SIPA makes money on the credit card fees, but we need to make sure it is fair. He stated that he was not talking about transaction fees, but rather credit card rates. There are varying rates from credit card to credit card, and we need to make sure that we're covered.

Now that a quorum was present, Jack Arrowsmith called for a motion to approve the June meeting minutes.

**MOTION:** to approve the June 1, 2006 meeting minutes of the SIPA Board of Directors.

Williams/ Cooke

## **APPROVED UNANIMOUSLY**

### **B. General Manager's Report, Rich Olsen**

Rich Olsen stated that June was a very busy month. He reported that there are several applications in the queue. Additionally, there are six complete EGE Agreements, 25 application requests, and work orders all over the board.

#### **New Services**

##### *Payment Engine*

The payment engine and checkout utility is live. Rich Olsen stated that he is calling it live because it is sitting on the production machine processing with CHASE and Bank of America. The real test will be when the engine is hooked up with an application. The most likely first candidate is the Department of Revenue, Auto Dealer Licensing application.

Rich Olsen also announced that there are two new manuals available to departments to help with this process. There is a manual available on the SIPA site that shows how money flows. The second manual is more technical and shows how to use the payment engine. This manual will not be available online, as it requires some discussion. Rich Olsen added that he was contacted by the

state of Tennessee, and they were very complimentary of the completeness of the SIPA site.

### *Treasury Migration*

The Treasury site has been migrated to the Colorado.gov servers from a third party host. Treasury is also in the content management queue.

## **Existing Services and Websites**

### *Google*

Google went live in the middle of June. Users won't be able to tell that they are using Google until they get their results. This service is also available for departments to use on their sites.

## **Discussion:**

Senator May asked how much Google costs.

Rich Olsen stated that they pay about 25,000 dollars per year, through an agreement with NIC.

Richard Westfall commented that lately he has been doing a lot of searching on government sites. He stated that he was getting some information but nothing new. The new Google engine is lightening quick, and it provides a lot of very useful information.

Rich Olsen added that if people aren't getting the right results, keywords could be added to make sure that they are finding what they need.

Greg Jenik asked when advertising for other departments on Colorado.gov would begin.

Rich Olsen stated that such advertising is planned. For example, related departments or topics of interest might be advertised. This might happen as soon as there are more services.

## **Active Development**

### *Content Management*

Rich Olsen stated that content management is a little bit behind, as some of the infrastructure has changed. However, training is going very well. OIT came in for training, and they provided great feedback. They will come back for training again because a couple of things have changed.

## **Discussion:**

Jack Arrowsmith stated that there are many departments, counties, and municipalities. He asked if CI expected there to be a time when they would have regular trainings that people could just join.

Rich Olsen stated that trainings would probably occur two times per week. The trainings are only for five or six people at a time. He stated that they would probably continue to do one agency at a time because templates are prepared differently for each agency. It takes a couple of days to train each agency, and agencies can always call or come in for more training. Rich Olsen stated that Aaron Boyd was sent to Kentucky to see how they operated their content management training. In Kentucky, they do trainings about twice per week, and it seems to be working very well. Kentucky has about half of their departments running on the content management system.

John Thomas added that the reason for agency specific training is that workflow varies from department to department. He stated that if there comes a need to provide generic training, CI should be able to set it up. He added that the person creating the content typically doesn't give the final go ahead.

#### *Interactive Driving Record Delivery*

Interactive Driving Record Delivery is currently being tested. There are two different applications. CI now has direct access to the mainframe, and they'll see how the load works.

#### **Discussion:**

Senator May offered to do some beta testing.

Rich Olsen stated that he would have to be approved by DOR, but they could talk about it offline. Rich Olsen added that the more people that test, the better. He stated that if anyone is ever interested in testing an application, CI could send the link for testing.

#### **Website Project Queue**

Rich Olsen reported that OIT and DORA are both in active development. There are several other departments in data gathering.

#### **Discussion:**

Senator May asked if Google would allow users to search other departments from Colorado.gov.

Rich Olsen stated that you can put in your key search and it will crawl all the departments. He added that agencies could also have Google on their own site to search only their site.

#### **Financial Report**

Rich Olsen stated that he has included three months on the financial report, per the request of Senator May. Rich Olsen stated that the revenues have been stable, which is very good.

**Discussion:**

Senator May stated that it's scary that we only have one revenue stream.

Rich Olsen stated that he was happy that the revenue stream was working, and there would be a few more coming along in the future.

**Marketing**

*Great Colorado Payback*

Rich Olsen stated that there have been about 4,000 accesses to the Great Colorado Payback online service. He stated that there was a press event on June 26 with the Governor and the Treasurer, and there were about 20 people from the press. Rich Olsen noted that the Governor did a great job, and since he was a previous State Treasurer he was able to talk about the state overall as well as the Department of Treasury. Mike Coffman also did a great job. Rich Olsen noted that the effects of the event have not yet been realized, but it would be fun to see how it works. Rich Olsen stated that there is a copy of the press release in the GM report, and they are also working on another press release for Google. There is a lot of great press happening.

**Discussion:**

Gregg Rippy stated that we probably couldn't have picked a worse date for the press event because at the time the press wanted to know all about the special session. Then later that day, CU was announcing the Ward Churchill decision. Therefore, our story was buried a little further back, but you can go to the CBS News 4 Website to see the coverage.

*City of Greeley and Weld County Presentation*

Rich Olsen reported that thanks to Tambor Williams, Gregg Rippy had the opportunity to present to the Greeley Mayor, Weld County Commissioners, and others in Greeley on June 9.

**Discussion:**

Tambor Williams commented that Gregg Rippy gave a great presentation.

Rich Olsen added that the audience asked a lot of great questions.

Senator May offered to set something up similar in Colorado Springs. He stated that he could set something up (large or small) at any agency.

Gregg Rippy commented that he would always welcome a presentation.

*Colorado County Clerk and Records Association*

Rich Olsen continued to say that after the presentation to the local folks, there was a presentation for the Colorado County Clerk and Records Association. Gregg Rippy explained the portal and Jack Arrowsmith talked specifically about eRecording. Rich Olsen stated that the clerk and recorders were quite nice.

**Discussion:**

Tambor Williams commented that the group had been in meetings all week, and we had the very last presentation. She stated that it was great to have such a large audience for the last presentation of a week- long conference.

Senator May asked how many counties were involved in eRecording.

Jack Arrowsmith answered about eighty percent.

Senator May asked about the involvement of the private sector.

Jack Arrowsmith stated that national banks are eRecording, and Douglas County is making headway locally.

Senator May asked about credit unions.

Jack Arrowsmith stated that he would need to check that.

Senator May offered to help get credit unions involved in eRecording.

*Digital Government Summit*

Rich Olsen also reported that Gregg Rippy presented at the Digital Government Summit on June 22. He stated that he wasn't able to attend, but he heard that it was great as well.

**Discussion**

Senator May asked for the dates of the NIC Conference.

Rich Olsen stated that the NIC Conference would be held August 8-10

Senator May asked for the location.

Rich Olsen stated that the NIC Conference would be held at the Grand Hyatt at 17<sup>th</sup> and Welton St. He added that he would send out an agenda because there are a lot of things Board members or may not want to see. He added that last year, Representative Cadman really enjoyed seeing what other states were doing. Rich Olsen also stated that Board members wouldn't be charged anything.

Greg Jenik asked if other states were responding to the idea of a state portal.

Rich Olsen stated that he recently went to talk to New Mexico and a couple of other states. He explained that as the economy gets tighter, the self-funded model starts looking better and better.

Senator May asked if CSTARS would be on the portal.

Michael Cooke stated that CSTARS would not be on the portal, but the online vehicle registration (which will have some interface with CSTARS) would be on the portal. Michael Cooke explained that CSTARS stands for Colorado State Titling and Registration System, and she stated that the system would have more benefit for the clerks than for the public. She went on to explain that the transaction would be the same for the public, but CSTARS has to be in place because it paves the way for online vehicle registration.

Senator May stated that he went into an office on the last day of the month, and it was so busy. He stated that the process could easily be done by mail.

Michael Cooke agreed that it would be great if more people would do their business online or by mail. She added that we would have to do a lot of marketing, but it would be a huge benefit.

Senator May noted that there are 4.5 million vehicles in Colorado.

Rich Olsen stated that almost every state with a portal has online vehicle registration, and so we could look at how they do their advertising. He added that it would probably be one of the biggest splashes of the year.

Senator May stated that he gets emails every day from citizens who hate standing in line.

Michael Cooke noted that there always seems to be confusion between driver's license and vehicle registration. She stated that it's hard to know if those citizens were at the driver's license office or the vehicle registration office. Both entities offer mail-in-renewal, but people just don't use the service.

John Picanso referred to page 18. He stated that there were production costs of various services and monthly maintenance. He asked if maintenance is ever expected to go away.



Rich Olsen answered no. He explained that as an application gets older, maintenance costs will always be there. He stated that after the fourth year, there is as much spent on maintenance as there is on new applications.

John Picanso stated that he would like to see initial project costs and maintenance costs. He noted that the cost of maintenance for June was about 11,000 dollars. He stated that down the road, we will see some pretty impressive maintenance costs that get pulled out of the self-funded pot.

Bob Feingold stated that we have to look at the entire cost (including maintenance) not just acquisition costs.

Gregg Rippy explained that the reason we have revenues associated with some of the applications is to be able to cover the cost of maintenance. As long as we keep the balance of having 80 percent of the applications free and 20 percent bearing a fee, we can stay focused. He stated that we don't want maintenance to take away from development.

Jack Arrowsmith stated that as part of the long-term plan, more staff would be needed for maintenance. Perhaps it would be the largest part of the staff.

Greg Jenik stated that it's part of the cost of ownership.

Rich Olsen stated that 99 percent of applications will never pay for themselves, but the others pick up the slack.

Jack Arrowsmith referred to page three where it talks about determining the final credit card fees.

Gregg Rippy stated that they are looking for an appropriate credit card fee. He stated that DORA gave a breakdown of their rates, and SOS is compiling their rates. These are two of the biggest agencies in the state, and they will help to determine a good baseline. Gregg Rippy explained that we must remain revenue neutral to the agencies, and we don't want to just arbitrarily pick a number.

Jack Arrowsmith asked if after all is said and done, if this would be the established baseline of the payment engine.

Rich Olsen answered yes.

#### **IV. Additional Discussion**

Gregg Rippy stated that one very important thing we are doing is maintaining communication with the agencies. He stated that he was very thankful for the communication with OIT and others. He added that one of the things we are working on is a vulnerability assessment of SIPA. There will be a meeting next week with Mark Weatherford and John Picanso. He stated that often we get the question of what the

security is of the portal. Gregg Rippy stated that security is job one. CI does an ongoing assessment, and we're looking at more ways to do it.

John Picanso stated that he didn't want to get too technical, but there is a paper written on identity management for the state. It isn't going to specify or recommend one identity management architecture; instead there would probably be three kinds. It's great if the document helps, but he doesn't want to hold up the portal. He added that as we talk about ID management throughout Colorado, he would hope that it could be all encompassing for agencies local government, SIPA, etc.

Gregg Rippy asked when he could see the paper.

John Picanso stated that he would get him the latest version.

Rich Olsen announced that he wouldn't be at the next meeting, but John Thomas would provide the report.

Jack Arrowsmith suggested if anyone is planning to go to the NIC Conference to let Angie know so that we make sure there is representation from the Board.

## **V. Agenda Items for Next Meeting**

None specific.

### ***Next meeting is scheduled for:***

Thursday, July 6, 2006

1:30 p.m. – 4:00 p.m.

Legislative Services Building

200 E. 14<sup>th</sup> Ave.

Hearing Room A, 1<sup>st</sup> Floor

Denver, CO

## **VI. Adjournment**

The meeting adjourned at 3:25 PM.